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## INFORMATION REPORT INFORMATION REPORT

## CENTRAL INTELLIGENCE AGENCY

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- 1. Social insurance in Hungary was not an achievement of the Communist regime. It had existed before World War II and, during that time, had been better organised and had many more facilities available.
- 2. There was only one social insurance center in Hungary. This center was located in Budapest and was called the Trade-Union Insurance Center (Smaksmerveseti Tärsadalombistositäsi Kömpont SZTK). It was under the management of the National Council of Trade Unions (Smaksmervesetek Orsmägos Tanádsa SZCT). To acquire social insurance with the SZTK, an employee paid the SZTK three per cent. of his monthly salary; until the end of 1954, only one per cent. had been required. The employer was required to pay the SZTK 10 per cent. from an employee's wages. Persons who did not work for the State or for private enterprise, such as independent tradesmen, shopkeepers, etc., were allowed to join the SZTK and receive the same insurance benefits for the same amount of money. The SZTK assured free medical and hospital treatment and allowed the individual to have medicaments at reduced prices. In the case of a long illness, the individual was given a certain percentage of his monthly salary by the SZTK.
- 3. A central dispensary was located in every district of Budapest. These dispensaries controlled the zonal dispensaries, each of which served several city blocks. In case of illness, an individual was required to go to his zone dispensary or, if he was too ill, ask the zone physician to come to his home. A zone physician made a house visit only if the patient had a temperature of at least 100 degrees (F). In such cases, the physician could order the patient to remain at home for a maximum of three days. However, in only the Kispest area and in District XI, a patient was allowed to remain at home for a maximum of nine days. Source was told this by a physician but was given no explanation for it. If a patient did not recover in the maximum period allowed, he was required to call a physician at the dispensary in his district to obtain permission to remain at home longer. When an individual remained at home longer than the maximum without the permission of the district physician, he was guilty of

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absenteeism, could lose his job, and receive no money from the SZTK.

- When a patient recovered and returned to work, he had to present a certificate from his zone physician to the "social responsible" at his place of employment. The social responsible then filled out a form, stamped it, and the SZTK paid the individual a certain percentage of his wage for each day he had been sick. This percentage was calculated on the total income of the previous three months and divided by the number of working days in that period; 75 to 85 percent, of that average was then paid to the individual for each day he remained away from his job. Eighty-five per cent, sick pay was given only to those persons who had more than two years of uninterrupted employment. When hospitalization was required, only 50 percent, of the average daily wage was paid. One year's sick pay was the maximum time allowed any individual for a lengthy illness. At the end of one year, the individual was required to return to his job.

  | Source heard that a new social insurance soxial was to be introduced to give 100 per cent, of the average daily wage to workers with at least 10 years of uninterrupted employment.
- 5. Workers who subscribed to the SZTK social insurance plan received 5 to 15 per cent discount on prescriptions for medicines. Until about 1953, medicines had been given free of charge. Any medicine produced outside of Hungary could not be purchased with an SZTK prescription and no discount was given.
- 6. It was difficult to obtain a bed in a Budapest hospital. When an individual required hospitalization, he had to first obtain a written recommendation from his cone physician and have it approved by the dispensary in his district. From a special office which had a registry of available hospital beds, he was able to find out where a bed could be obtained. However, in cases of emergency, a bed was arranged for by the ambulance personnel.
- 7. Hospitals in Budapest were overcrowded because none had been constructed in the last ten years. In addition, many of the public hospitals had been taken over by the Hungarian armed forces. The most modern hospital in Budapest, the former Miklos Horthy Hospital on Kutvolgyi Road, was taken over by the Communists for the exclusive use of Party leaders. Dispensaries were also crowded and one physician usually treated from 100 to 200 patients daily. To get proper medical treatment, an individual who could afford to pay went to see a private physician.
- 8. Equipment in both hospitals and dispensaries was, in general, poor and old-fashioned. Although the equipment was usually clean, it looked very neglected. The results of World War II bombings and other war damage could still be seen in the hospitals and dispensaries; the walls were smoky and the bedding and curtains ragged. Food in the hospitals was generally inedible and insufficient.
- 9. Although the SZTK assured free medical and hospital treatment, physicians and nurses would not even talk to an individual unless the individual previously agreed to pay an additional fee. This practice was accepted as very natural because physicians received as little as 1,600 to 2,200 forints a month from the SZTK and had little spare time, if any, to work in their private offices. Formerly, Hungarian physicians had regarded their work as a profession but Communism has reduced the profession to a mere business.
- 10. Medical research and training was far behind that of the West. For example, very few physicians in Hungary were able to recognize the symptons of cancer. As in all other aspects of education and research, Soviet methods were followed.

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